



BANYAN ANNOUNCES CLOSING \$1.5 M FIRST TRANCHE OF FINANCING

December 21, 2020

TSX-V: BYN

VANCOUVER, B.C., December 21, 2020 – **Banyan Gold Corp.** (the "**Company**" or "**Banyan**") (TSX-V: **BYN**) is pleased to announce, subject to approval by TSX-V, that it is closing the first tranche of \$1,500,000 of a total \$2,500,000 Private Placement.

The Company intends to use the net proceeds from the Private Placement to expand its' exploration activities in 2021 on its' Yukon based properties.

The first tranche includes 5,357,143 Flow Through Shares at \$0.28. A second tranche consisting of approximately 3,076,924 Charity Flow Through Shares priced at \$0.325 for gross proceeds of \$1,000,000 is expected to close on or around December 29, 2020.

"With a strong treasury and a project located adjacent to mines of our two largest shareholders, Victoria Gold and Alexco Resources, we are now well positioned to strategically advance this project to the next level in 2021 with an increase in planned exploration activities." stated Tara Christie, President and CEO.

The flow through gross proceeds received from the sale to subscribers of the Charity Flow Through Shares and Flow Through Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the *Income Tax Act* (Canada) (the "**Tax Act**") on the Company's properties in the Yukon Territory, and renounced to such subscribers effective not later than December 31, 2020. Such Canadian exploration expenses will also qualify as "flow-through mining expenditures" as defined in subsection 127(9) of the Tax Act. In connection with the closing of the Private Placement, the Company will pay a cash finder's fee in the amount of \$33,860 on the first tranche of the financing.

Certain insiders of the Company participated in the Private Placement for \$280,380, comprised of 1,001,359 Flow Through Shares. Such participation represents a related party transaction under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"), but the transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of the transaction, nor the consideration paid, exceed 25% of the Company's market capitalization.

Under applicable Canadian securities laws, all securities issued pursuant to the first tranche of the Private Placement are subject to, among other things, a statutory hold period of four months and one day. The Private Placement remains subject to the final approval of the TSX Venture Exchange (the "TSX-V").

Upcoming Events

AME Roundup 2021 – Virtual Presentation January 21, 2021

Qualified Person

Paul D. Gray, P.Geo., Vice President of Exploration for the Company, is a “qualified person” as defined under NI 43-101 and has reviewed and approved the content of this news release.

COVID-19 Update

Banyan has taken proactive measures to protect the health and safety of our employees and communities from COVID 19 and exploration activities in 2020 have additional safety measures in place, following and exceeding all the recommendations made by the Yukon’s Chief Medical Officer.

About Banyan

Banyan's primary asset AurMac is adjacent to Victoria Gold's new Eagle Gold Mine, in Canada's Yukon Territory, which announced commercial production on July 1, 2020. The AurMac initial resource of 903,945 oz Au (see Table 2 below) was announced in May 2020. Our major strategic shareholders include Osisko Gold Royalties, Sprott Funds, Alexco Resource Corp., and Victoria Gold Corporation. Banyan is focused on gold exploration projects that have the geological potential, size of land package and proximity to infrastructure that is advantageous for a mineral project to have potential to become a mine. Our Yukon based projects both fit this model and our objective is to gain shareholder value by advancing projects in our pipeline.

The 173 sq km AurMac Property lies 40 km from Victoria Gold's Eagle Gold Mine and adjacent to Alexco 's Keno Hill Silver District and is highly prospective for structurally controlled, intrusion related gold-silver mineralization. The property is located adjacent to the main Yukon highway and just off the main access road to the Victoria Gold open-pit, heap leach Eagle Gold mine. The AurMac Property benefits from a 3-phase powerline, existing Yukon Energy Corp. switching power station and cell phone coverage. Banyan has optioned the properties from Victoria Gold and Alexco respectively with a right to earn up to a 100% subject to royalties.

The 2020 Initial Mineral Resource Estimate prepared in accordance with National Instrument 43-101 (“NI 43-101”) guidelines for the AurMac Property is **903,945** ounces of gold. It is a near surface, road accessible pit constrained Mineral Resource contained in two near/on-surface deposits: The Airstrip and Powerline deposits. The Mineral Resource is summarized in Table 2 below.

Table 2: Pit-Constrained Inferred Mineral Resources at a 0.2 g/t Au Cut-Off – AurMac Property

| Deposit | Classification | Tonnage Tonnes | Average Au Grade g/t | Au Content oz. |
|-----------------------|-----------------|-------------------|----------------------|----------------|
| Airstrip | Inferred | 45,997,911 | 0.524 | 774,926 |
| Powerline | Inferred | 6,578,609 | 0.610 | 129,019 |
| Total Combined | Inferred | 52,576,520 | 0.535 | 903,945 |

Notes:

1. The effective date for the Mineral Resource is May 25, 2020.
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, changes in global gold markets or other relevant issues.
3. The CIM definitions were followed for classification of Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.
4. Mineral Resources are reported at a cut-off grade of 0.2 g/t Au, using a US\$/CAN\$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: gold price of US\$1,500/ounce, US\$1.50/t mining cost, US\$2.00/t processing cost, US\$2.50/t G+A, 80% heap leach recoveries, and 45° pit slope.
5. Mineral Resource Estimate prepared in accordance with 43-101 guidelines by Marc Jutras, P.Eng., M.A.Sc., Principal, Ginto Consulting Inc, with technical report filed July 7, 2020.

The Hyland Gold Project, located 70 km NE of Watson Lake, Yukon, along the southeast end of the Tintina Gold Belt is a sediment hosted, structurally controlled, intrusion related gold deposit, with a large land package (over 125 sq km), with the resource contained in the Main Zone area (900x600m) daylighting at surface and numerous other known surface gold targets. The Main Zone oxide zone is amenable to heap leach open pit mining, with column leach recoveries of 86%. The project has an existing gravel access road.

Table 3 shows the Hyland Main Zone Indicated Gold Resource Estimate, prepared in accordance with NI 43-101, at a 0.3 g/t gold equivalent cutoff, contains 8.6 million tonnes grading 0.85 g/t AuEq for **236,000 AuEq ounces** with an Inferred Mineral Resource of 10.8 million tonnes grading 0.83 g/t AuEq for **288,000 AuEq ounces**. NI 43-101 prepared by Robert Carne, Allan Armitage and Paul Gray on May 1, 2018.

Table 3: Hyland Main Zone Indicated Gold Resource Estimate

| Cut-off Grade (AuEq g/t) | In situ Tonnes | Au | | Ag | | AuEq | |
|--------------------------|----------------|-------------|---------|-------------|-----------|-------------|---------|
| | | Grade (g/t) | Ozs | Grade (g/t) | Ozs | Grade (g/t) | Ozs |
| Indicated | | | | | | | |
| 0.3 | 8,637,000 | 0.78 | 216,000 | 7.04 | 1,954,000 | 0.85 | 236,000 |
| Inferred | | | | | | | |
| 0.3 | 10,784,000 | 0.77 | 266,000 | 5.32 | 1,845,000 | 0.83 | 288,000 |

Notes:

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate.
2. Mineral resources are reported at a cut-off grade of 0.3 g/t AuEq. AuEq grade is based on \$1,350.00/oz Au, \$17.00/oz Ag and assumes a 100% recovery. The AuEq calculation does not apply any adjustment factors for difference in metallurgical recoveries of gold and silver. This information can only be derived from definitive metallurgical testing which has yet to be completed.

Banyan trades on the TSX-Venture Exchange under the symbol "BYN". For more information, please visit the corporate website at www.BanyanGold.com or contact the Company.

ON BEHALF OF BANYAN GOLD CORPORATION

(signed) "Tara Christie"

Tara Christie
President & CEO

For more information, please contact:

Tara Christie
Tel: (888) 629-0444
Email: tchristie@banyangold.com

David Rutt
Tel: (888) 629-0444
Email: drutt@banyangold.com

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FORWARD-LOOKING INFORMATION: This news release contains forward-looking information, which is not comprised of historical facts. Such information can generally be identified by the use of forwarding-looking wording such as "may", "will", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, statements relating to future outlook and anticipated events such as: potential quantity and/or grade of minerals; potential size and expansion of a mineralized zone, including the potential to expand Powerline gold mineralization; the discovery of additional near-surface gold resources; Banyan's objectives, goals or future plans; statements regarding exploration expectations; proposed timing and descriptions of exploration or development plans, including drilling programs; and mineral resource estimates. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, uncertainties inherent in resource estimates, capital and operating costs varying significantly from estimates, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and the other risks involved in the mineral exploration and development industry, enhanced risks inherent to conducting business in any jurisdiction, and those risks set out in Banyan's public documents filed on SEDAR. Although Banyan believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Banyan disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.